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SUBJECT: ORGANIZED CRIME IN BC IS ON THE RISE AND LAW ENFORCEMENT IS STRUGGLING TO KEEP UP

[1](#)1. (SBU) SUMMARY: The number of organized crime groups in BC has more than doubled in the past two years, severely challenging BC law enforcement and the judiciary. Almost every global ethnic crime group known to law enforcement now has a base in Vancouver. Outlaw Motorcycle Gangs (OMG), or Hells Angels, are the most dangerous crime groups in BC and sit at the top of the hierarchy for marijuana smuggled into the U.S. and for cocaine smuggled from the U.S. into Canada. Asian-based organizations are involved in drug and human trafficking. Indo-Canadian gangs often export marijuana to the U.S. and engage in violent struggles that have claimed more than ten lives just this year. East-European groups commit sophisticated financial crimes like credit card fraud. However, most of the province's criminal organizations operate independently of the major criminal enterprises such as the Hell's Angels, thus avoiding police attention by remaining autonomous of the more notorious groups. The scope of organized crime in B.C. is so large that law enforcement is incapable of monitoring the vast majority of groups, and conditions in the province continue to invite criminal organizations to take part in the lucrative market. End Summary

#### The Most Notorious Groups

[1](#)2. (SBU) As of June, there were 108 organized crime groups known to be operating in B.C., more than double 2003 numbers. The following is a summary, obtained from media, contacts, and a June Royal Canadian Mounted Police (RCMP) report, of the five main organized crime categories in the province-Outlaw Motorcycle Gangs (OMG), Asian-based Organized Crime, Indo-Canadian Organized Crime, East-European Organized Crime, and Independent Organized Crime.

#### Outlaw Motorcycle Gangs

[1](#)3. (SBU) The RCMP considers the Hells Angels and their OMG associates the most dangerous criminal group in this province. The Hells Angels control the cocaine trade, organized extortions, and much of the sex trade. They are also heavily involved in producing and exporting marijuana. Hells Angels often use violent means, such as homicides, violent assaults, extortions, and debt-collections, to carry out their business. Canadian law enforcement has succeeded in charging or convicting 45 members and associates of that club in the past year. Until recently, though, BC law enforcement had not been able to find substantial evidence to prosecute Hells Angels because they tend to remain in the background; they direct other individuals or groups to carry out the crimes for them, making it much more difficult for law enforcement to tie these crimes to the Hells Angels.

[1](#)4. (SBU) Consulate staff contacted the RCMP's Combined Forces Special Enforcement Unit. An official explained that Hells Angels play a leading role in cross-border cocaine and marijuana trafficking. He said marijuana export groups are organized hierarchically, with one or two club members supervising a group of non-club members who finance and plan the drug's growth and exportation. These non-club members, who may not know who is above them in the hierarchy, are aligned with smuggling groups that send marijuana to the U.S. and take cocaine back to Canada. Hells Angels club members rarely step foot inside a grow-op or handle the marijuana; they operate in a similar fashion in the cocaine trade.

[1](#)5. (SBU) Two years ago agencies across B.C. stepped up their efforts to work together on tackling organized crime. The RCMP, Combined Forces Special Enforcement Unit, and most municipal forces in the Lower Mainland and Greater Victoria areas teamed up with entities such as the Liquor Control and Licensing Board and the Canadian Customs and Revenue Agency, leading to the recent crack-down on Hells Angels. The Combined Forces Special Enforcement Unit believes the recent crackdown will cause the organization to draw back and refrain from normal business; those who remain active will probably only associate with club members and a few trusted associates until they feel safe again.

Others believe, however, that the recent law enforcement success has not stopped the club from expanding and that there are always more people waiting to join the club than are arrested. Additionally, imprisoned leaders maintain considerable influence. The RCMP believes that, despite this fact, there are probably enough officials engaged in

investigations to sustain the multi-agency effort.

#### Asian-based Organized Crime

16. (SBU) Asian-based Organized Crime (AOC) includes domestic and internationally-based organizations that use B.C.'s position as North America's gateway to Asia to their advantage. AOC organizations in B.C. control the sex trade and extortion within the Asian community and are involved in drug importation, marijuana production, violent and financial crimes, and counterfeiting. Vietnamese groups are particularly successful marijuana-growers. Chinese organizations dominate the heroin trade. Much of B.C.'s methamphetamine is produced and distributed by AOC organizations. US Immigration and Customs Enforcement (ICE) reports that AOC groups are behind most human trafficking in B.C., particularly Korean women trafficked to Canada and often transported to the U.S. ICE, in partnership with the Canadian Border Services Agency's immigration and intelligence sections and RCMP border integrity, have identified some of the main players in the human trafficking industry and say that various trafficking groups in the U.S. and Canada associate together, not in a hierarchical structure, but as different enterprises trading for financial gain.

17. (SBU) Consulate staff met with an official of the Vancouver Police Department, who expounded on Asian crime practices, saying the groups vary among ethnic lines, use cultural tenets to their advantage, and are always changing. For instance, once law enforcement believe they know how a group operates, that group changes "like a chameleon." Unlike the mafia, AOC is not centered on a hierarchical structure. Criminal enterprises form to carry out a specific conspiracy, then dissolve once the job is finished. Asian criminal enterprises work together solely to earn money, they rarely focus on a single commodity, and their group structure allows one leader to preside over a network of various crimes.

#### Indo-Canadian Organized Crime

18. (SBU) Indo-Canadian Organized Crime (ICOC) draws from the Lower Mainland's South Asian community and is associated with street level drug trafficking, exporting marijuana (particularly to the U.S.), and violent murders which have claimed almost 90 lives in the past 15 years and more than 10 in the past year in the Lower Mainland. The Vancouver Sun reports that many of those killed in Indo-Canadian struggles are gang leaders or members. ICOC is an increasingly dangerous lifestyle; however, many young Indo-Canadian males, despite the dangers associated with it, are drawn into the "fast life" with its promises of fast money, cars, and possessions.

#### East-European Organized Crime

19. (SBU) East-European Organized Crime (EEOC) groups in B.C. are lower-profile, but not less damaging, than the others. They typically engage in sophisticated, high-value financial crimes, such as identity theft, card fraud, money laundering, and immigration-related crimes. A VPD officer informed Consulate staff that, unlike traditional organized crime groups with names and hierarchical structures, EEOC groups form when experts in various areas come together to pull off a crime, following which the groups are disbanded and members disperse to join schemes elsewhere. Like AOC, EEOC is a global society that changes faces so frequently that it leaves law enforcement far behind. The officer explained that these organizations are very skilled at not drawing attention to themselves. If their vehicle has been searched or they think they are being followed, these criminals will literally search their entire car for police bugs. They are very patient and have even been known to desist from a plot when they feel at risk of being detected. In such cases, though, they always have another plan, as each organization is capable of carrying out several different plots. These groups are perhaps the boldest of all in dealing with authority-the VPD officer we contacted said that some gangsters under investigation have been known to phone police officers asking why they are being investigated. Linguistic barriers, the sophisticated nature of their crimes, and the domestic and international mobility of actors make it hard for police to investigate EEOC groups.

#### Independent Organized Crime

10. (SBU) Independent Organized Crime (INDP). The greatest numbers of organized crime groups are local, independent organizations frequently associated with regional drug networks and violent and financial crimes. ICE staff told us that these groups also carry-out human trafficking schemes of Canadian women, sometimes to Las Vegas or New York. An RCMP Combined Forces Special Enforcement Unit official told us that many of these groups do business with the Hells Angels, while remaining autonomous. This provides them access to profitable business while avoiding the special attention police give to Hells Angels. INDP groups are very successful in the province, profiting from their lucrative crime schemes while essentially operating under the radar screen of the police much of the time.

#### Conclusion and Comment

11. (SBU) The province has not had much success combating organized crime, and future prospects do not look brighter. Nobody knows the true extent of organized crime in the province, as the sophisticated organizations make it their business not to be discovered. Even when police know about a group and its activities, they lack the manpower to properly investigate and prosecute the group and, as reported, many of the groups are adept at changing their structure and fleeing when they feel that police are on to their schemes. RCMP estimate that all of B.C.'s law enforcement combined will only be able investigate 30 groups, leaving 78 groups or 72% of the province's known criminal organizations unaccounted for.

12. (SBU) A VPD official explained to Consulate staff that BC is a natural draw for organized crime. He indicated that Canada's single criminal code, while more functional in other provinces, does not work well in B.C. Strong ethnic communities have created a "victim's mentality" for many ethnic organized crime members which often translates into weak penalties for the severity of the crime. As a result, law enforcement is less willing to make arrests and prosecute crimes because the weak jail sentences do not make their time and resource investments worth pursuing - only a small percentage of grow op busts actually result in jail time for example. The official further noted that Vancouver has become one of the top 15 cities in the world for organized crime, and is almost unique in North America, housing almost every kind of organized crime. He expressed appreciation for the U.S. agencies that cooperate with VPD, saying that the US has been more successful in bringing these criminals to justice than Canada has.

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